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Financing of the United Nations Mission for the Referendum in Western Sahara

Financial performance report of the United Nations Mission for the Referendum in Western Sahara for the period from 1 July 1999 to 30 June 2000

Report of the Secretary-General

Summary

The present report contains the financial performance report of the United Nations Mission for the Referendum in Western Sahara (MINURSO) for the period from 1 July 1999 to 30 June 2000. The General Assembly, by its resolution 53/18 B of 8 June 1999, appropriated for the maintenance of MINURSO for this period a total amount of $52,124,911 gross ($48,173,311 net).

Expenditures for the period totalled $49,211,511 gross ($45,860,511 net), exclusive of voluntary contributions in kind of $6,498,500, resulting in the unutilized balance of $2,913,400 gross ($2,312,800 net).

The unutilized balance resulted primarily from reduced requirements under international civilian staff costs owing to the greater-than-projected proportion of mission appointees, as well as lower-than-budgeted requirements under air operations.

The action to be taken by the General Assembly in connection with the financing of MINURSO is set out in paragraph 13 of the present report.

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I. Introduction

1. The United Nations Mission for the Referendum in Western Sahara (MINURSO) was established by the Security Council in its resolution 690 (1991) of 29 April 1991. The mandate of the Mission has been extended by the Council in its subsequent resolutions, the latest of which was resolution 1324 (2000) of 30 October 2000, by which the Council extended the mandate of MINURSO until 28 February 2001.

2. The proposed budget of MINURSO for the period from 1 July 1999 to 30 June 2000 was set out in the report of the Secretary-General dated 11 February 1999 (A/53/820) and amounted to $49,023,000 gross ($45,071,400 net), exclusive of voluntary contributions in kind of $5,716,500. This amount has been fully assessed on Member States.

3. The budget provided for the maintenance requirements of the Mission at the strength authorized by the Security Council in its resolution 1133 (1997) of 20 October 1997, i.e., 203 military observers, 27 military personnel (20 medical and 7 force orderly personnel) and 81 civilian police officers supported by 385 civilian personnel (280 international, 95 local staff and 10 Organization of African Unity (OAU) observers).

4. On the recommendation of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) contained in its report dated 6 May 1999 (A/53/943), the General Assembly, in its resolution 53/18 B of 8 June 1999 appropriated for the Mission for the 1999-2000 financial period an amount of $52,124,911 gross ($48,173,311 net), inclusive of $2,593,381 for the support account for peacekeeping operations and $508,530 for the United Nations Logistics Base at Brindisi, Italy.

5. Subsequently, pursuant to Security Council resolution 1263 (1999) of 13 September 1999, by which the Council extended the mandate of the Mission in order, inter alia, to complete the identification of the voters and to continue with the appeals process, the Controller, in his letter dated 1 October 1999, sought the concurrence of ACABQ to enter into commitments for the Mission in an amount not exceeding $3,662,600 gross ($3,579,100 net) to meet additional costs in connection with the concurrent running of the appeals and identification processes. To address the anticipated increased workload, the commitment authority request included additional requirements for the 48 international and 18 local posts, for the revised staffing establishment of MINURSO of 328 international and 113 local staff. The concurrence of the Advisory Committee in the Controller's request was granted in its Chairman's letter dated 6 October 1999.

II. Implementation of the budget

6. Information on the operations of MINURSO and on the situation on the ground during the period under review is contained in the reports of the Secretary-General to the Security Council dated 12 August 1999 (S/1999/875), 8 September 1999 (S/1999/954), 28 October 1999 (S/1999/1098), 6 December 1999 (S/1999/1219), 17 February 2000 (S/2000/131), 22 May 2000 (S/2000/461) and 12 July 2000 (S/2000/683).

7. Pursuant to Security Council resolution 1263 (1999), the Mission proceeded with the deployment of additional Identification Commission staff, the refurbishment of identification and appeals centres and the acquisition of additional office and data-processing equipment for which commitment authority had been provided by ACABQ. These additional resources enabled MINURSO to complete the identification of individual applicants from certain tribal groupings by 30 December 1999, launch on 17 January 2000 the second round of the appeals process and proceed with the necessary data processing and related technical work with respect to appeals received from the first part of the provisional voter list issued on 15 July 1999 and during the second round of appeals.

8. While additional requirements arising from the concurrent conduct of the identification and appeals processes resulted in over-expenditure under premises/accommodation, transport operations, other equipment, supplies and services and a marginal increase of 0.4 per cent in the total operational costs of MINURSO compared with the Mission's approved maintenance budget (see annexes I and II to the present report for details), these expenditures did not exceed commitment authority granted for this purpose by the Advisory Committee.

9. Subsequently, as a result of differences in the parties' interpretation of the main provisions of the Settlement Plan, in particular with regard to the conduct of the appeals process, the Mission was not in a position to continue with the admissibility and hearing stage of the appeals process. The consequential reduction in operational requirements, combined with the lower actual expenditure for international civilian staff salaries and common staff costs (for details, see para. 6 of annex II to the present report), resulted in the absorption of the full amount of commitment authority granted by the Advisory Committee within the overall appropriation provided for the Mission for the reporting period by the General Assembly.

10. Moreover, during the reporting period the Mission received voluntary contributions in kind from the host Governments and the Frente Popular para la Liberación de Saguía el-Hamra y del Río de Oro (Frente POLISARIO) estimated at $6,498,500, an increase of $782,000 compared with the projected amount of $5,716,500, which contributed to reduced requirements under its approved assessed budget (rental of premises and rations budget line items). The additional contributions in kind consisted of hotel facilities and meals provided by the host Government to accommodate additional Identification Commission personnel and support staff during their stay at Mission headquarters.

III. Financial performance report for the period from 1 July 1999 to 30 June 2000

11. As indicated in table 1 below, from the total appropriation of $52,124,911 gross ($48,173,311 net) for the maintenance of MINURSO for the period from 1 July 1999 to 30 June 2000, expenditures amounted to $49,211,511 gross ($45,860,511 net), inclusive of $3,702,100 in unliquidated obligations. The resulting unutilized balance of $2,913,400 gross ($2,312,800 net) represents, in gross terms, 6 per cent of the total appropriation. During the reporting period, MINURSO also received voluntary contributions in kind estimated at $6,498,500 (see para. 10 above). Annex I to the present report contains the financial performance information

for the reporting period by budget line item, with supplementary information on significant variances presented in annex II. Annex IV provides a chart showing apportionment and expenditures by main budget group.

Table 1
Apportionment and expenditure
(Thousands of United States dollars)

Category of expenditure	*Apportionment*[a]	*Expenditure*[b]	*Variance*
Military personnel	7 617.8	7 031.3	586.5
Civilian personnel	25 892.4	24 119.7	1 772.7
Operational requirements	11 561.2	11 607.6	(46.4)
Other programmes	-	-	-
United Nations Logistics Base at Brindisi	508.5	508.5	-
Support account for peacekeeping operations	2 593.4	2 593.4	-
Staff assessment	3 951.6	3 351.0	600.6
Gross requirements	**52 124.9**	**49 211.5**	**2 913.4**
Income from staff assessment	(3 951.6)	(3 351.0)	(600.6)
Net requirements	**48 173.3**	**45 860.5**	**2 312.8**
Voluntary contributions in kind (budgeted)	5 716.5	6 498.5	(782.0)
Voluntary contributions in kind (non-budgeted)	-	-	-
Total resources	**57 841.4**	**55 710.0**	**N/A**

[a] Based on appropriation provided in General Assembly resolution 53/18 B.
[b] Includes an amount of $3,702,100 in unliquidated obligations.

12. Information on the deployment of military and civilian personnel during the reporting period is presented in table 2 and detailed in annex III.

Table 2
Authorized staffing, incumbency and vacancy rates for military and civilian personnel for the period from 1 July 1999 to 30 June 2000

Personnel category	*Authorized strength*	*Actual strength (average)*[d]	*Vacancy rate (percentage)*
Military observers	203	198	3
Military contingents[a]	27	27	-
Civilian police	81	77	5
International staff			
1 July-31 August 1999[b]	280	243	13
1 September 1999-30 June 2000[c]	328	283	14
Local staff			
1 July-31 August 1999[b]	95	103	(8)
1 September 1999-30 June 2000[c]	113	109	4
OAU observers	10	9	13

[a] Includes 7 force orderly personnel.
[b] Based on General Assembly resolution 53/18 B.
[c] Based on commitment authority granted by ACABQ.
[d] Rounded.

IV. Action to be taken by the General Assembly at its fifty-fifth session

13. **The action to be taken by the General Assembly in connection with the financing of MINURSO is to decide on the treatment of the unutilized balance of $2,913,400 gross ($2,312,800 net) for the period from 1 July 1999 to 30 June 2000.**

Annex I

Financial performance report for the period from 1 July 1999 to 30 June 2000: summary statement

(Thousands of United States dollars)

Category of expenditure	*(1)* *Apportionment* [a]	*(2)* *Non-recurrent expenditures*	*(3)* *Total expenditures (inclusive of non-recurrent expenditures)*	*(4) = (1 - 3)* *Variance*
I. Military personnel				
1. Military observers	5 209.0	-	5 014.6	194.4
2. Military contingents	2 113.6	-	1 746.3	367.3
3. Other requirements pertaining to military personnel				
(a) Contingent-owned equipment	170.8	-	156.4	14.4
(b) Self-sustainment	-	-	-	-
(c) Death and disability compensation	124.4	-	114.0	10.4
Subtotal, line 3	295.2	-	270.4	24.8
Total, category I	**7 617.8**	**-**	**7 031.3**	**586.5**
II. Civilian personnel				
1. Civilian police	1 899.0	-	1 823.9	75.1
2. International and local staff	23 770.8	-	22 123.8	1 647.0
3. United Nations Volunteers	-	-	-	-
4. Government-provided personnel	222.6	-	172.0	50.6
5. Civilian electoral observers	-	-	-	-
Total, category II	**25 892.4**	**-**	**24 119.7**	**1 772.7**
III. Operational requirements				
1. Premises/accommodation	619.2	-	800.1	(180.9)
2. Infrastructure repairs	-	-	-	-
3. Transport operations	1 756.7	643.1	1 891.6	(134.9)
4. Air operations	6 959.3	253.2	5 703.8	1 255.5
5. Naval operations	-	-	-	-
6. Communications	857.7	384.6	849.8	7.9
7. Other equipment	802.0	1 147.0	1 151.4	(349.4)
8. Supplies and services	524.3	-	1 170.6	(646.3)
9. Air and surface freight				
(a) Transport of contingent-owned equipment	-	-	-	-
(b) Commercial freight and cartage	42.0	-	40.3	1.7
Subtotal, line 9	42.0	-	40.3	1.7
Total, category III	**11 561.2**	**2 427.9**	**11 607.6**	**(46.4)**

Category of expenditure	*(1)* *Apportionment* [a]	*(2)* *Non-recurrent expenditures*	*(3)* *Total expenditures (inclusive of non-recurrent expenditures)*	*(4) = (1 - 3)* *Variance*
IV. Other programmes				
1. Election-related supplies and services	-	-	-	-
2. Public information programmes	-	-	-	-
3. Training programmes	-	-	-	-
4. Mine-clearing programmes	-	-	-	-
5. Assistance for disarmament and demobilization	-	-	-	-
Total, category IV	**-**	**-**	**-**	**-**
V. United Nations Logistics Base at Brindisi	**508.5**	**-**	**508.5**	**-**
VI. Support account for peacekeeping operations	**2 593.4**	**-**	**2 593.4**	**-**
VII. Staff assessment	**3 951.6**	**-**	**3 351.0**	**600.6**
Gross requirements, categories I-VII	52 124.9	2 427.9	49 211.5	2 913.4
VIII. Income from staff assessment	**(3 951.6)**	**-**	**(3 351.0)**	**(600.6)**
Net requirements, categories I-VIII	48 173.3	2 427.9	45 860.5	2 312.8
IX. Voluntary contributions in kind (budgeted)	**5 716.5**	**-**	**6 498.5**	**(782.0)**
X. Voluntary contributions in kind (non-budgeted)	**-**	**-**	**-**	**-**
Total	**57 841.4**	**2 427.9**	**55 710.0**	**N/A**

[a] Based on appropriation provided in General Assembly resolution 53/18 B.

Annex II

Supplementary information on significant variances

Military personnel

Apportionment: $7,617,800; expenditure: $7,031,300; variance: $586,500

1. The unutilized balance of $586,500 under this heading resulted primarily from reduced requirements under military observers ($194,400) and military contingents ($367,300) budget line items.

Military observers

Apportionment: $5,209,000; expenditure: $5,014,600; variance: $194,400

2. While the approved budget assumed full deployment of military observers, the actual average vacancy rate during the reporting period amounted to 3 per cent, resulting in savings under mission subsistence allowance ($94,400) and clothing and equipment allowance ($2,400). The unutilized balance under travel costs ($97,600) was attributable to the actual lower average cost of one-way travel and fewer trips undertaken due to delays in the rotation of observers.

Military contingents

Apportionment: $2,113,600; expenditure: $1,746,300; variance: $367,300

3. The net unutilized balance of $367,300 under this heading was primarily attributable to reduced requirements for the provision of rations. While the approved budget provided for the acquisition of rations for civilian personnel out-posted to identification and appeal centres, most of the centres were closed in early 2000 and remained inactive for the remainder of the reporting period. As a consequence, Identification Commission personnel and support staff were relocated to Mission headquarters, where meals were provided by the host Government as voluntary contributions in kind. The resulting savings of $519,400 were partially offset by marginal additional requirements under standard troop cost reimbursement, owing to the rotation overlap of military personnel, as well as by the unforeseen additional requirements for the repatriation of military contingents ($180,100), owing to the inadvertent cancellation of a provision made for this purpose in the prior financial period.

Civilian personnel

Apportionment: $25,892,400; expenditure: $24,119,700; variance: $1,772,700

4. The unutilized balance of $1,772,700 under this heading resulted from reduced requirements for civilian police ($75,100), international and local staff ($1,647,000) and government-provided personnel ($50,600).

Civilian police

Apportionment: $1,899,000; expenditure: $1,823,900; variance: $75,100

5. The unutilized balance of $75,100 under this heading resulted from reduced requirements under travel cost due to fewer (73) than budgeted (162) trips undertaken during the period ($165,000) and lower requirements under clothing and equipment allowance actually paid to 65 officers compared with the budgeted provision for 73 officers ($1,600). These unspent resources were in part offset by additional requirements under mission subsistence allowance owing to the lower actual vacancy rate of 5 per cent compared with a vacancy rate of 10 per cent applied in the budget ($91,500).

International and local staff

Apportionment: $23,770,800; expenditure: $22,123,800; variance: $1,647,000

6. The unutilized balance of $1,647,000 under this heading was primarily attributable to savings under international salaries ($1,890,200) and common staff costs ($554,800). While the actual deployment of international staff authorized in connection with the concurrent conduct of the identification and appeal processes (3,316 person-months) exceeded budgetary projections (2,856 person-months), higher proportion of mission appointees among international staff (87 per cent) than was assumed in the budget (65 per cent for staff in the Professional and Field Service category) and lower grade levels of internationally recruited staff resulted in reduced international staff costs. In view of the Mission's experience with regard to Mission appointees, its approved 2000-2001 and proposed 2001-2002 budgets reflect appropriate adjustments under international civilian staff salaries and common staff costs. An unutilized balance was also reported under local staff salaries ($39,900) owing to the lower-than-budgeted average grade level of this category of personnel. The prevailing grade levels have been taken into account in the 2001-2002 budgetary estimates for local staff salary costs. Provision made in the budget for the services of an independent jurist was not utilized, resulting in savings under the consultants budget line item ($56,700).

7. The unutilized balances under international staff salaries, consultants and common staff costs were partially offset by additional requirements under mission subsistence allowance ($698,500) owing to the payment of allowances to additional staff deployed for the concurrent running of identification and appeals processes. Owing to intensive political consultations undertaken during the reporting period with the concerned parties by the Special Representative and the Special Envoy of the Secretary-General, senior staff of MINURSO and the United Nations Secretariat, as well as increased requirements for within-the-mission-area travel in connection with the concurrent conduct of the identification and appeal processes, provision for other official travel made in the Mission's maintenance budget proved insufficient and was exceeded by $196,100. Contributing to additional requirements under this budget line item were unforeseen expenditures related to travel in connection with specialized training of MINURSO staff in procurement, data processing and vehicle repair and maintenance.

Government-provided personnel

Apportionment: $222,600; expenditure: $172,000; variance: $50,600

8. The unutilized balance of $50,600 under this heading ($28,200 under mission subsistence allowance and $22,400 under travel) was attributable to the average vacancy rate for the Organization of African Unity observers of 13 per cent as well as to the non-rotation of observers during the reporting period.

Operational requirements

Apportionment: $11,561,200; expenditure: $11,607,600; variance: ($46,400)

9. The additional net requirements of $46,400 under this heading resulted from additional requirements under premises/accommodation ($180,900), transport operations ($134,900), other equipment ($349,400) and supplies and services ($646,300), which were offset by reduced requirements under air operations ($1,255,500), communications ($7,900) and air and surface freight ($1,700).

Premises/accommodation

Apportionment: $619,200; expenditure: $800,100; variance: ($180,900)

10. Net additional requirements of $180,900 under this heading were attributable to the refurbishment and upgrading of facilities at the identification and appeals centres and implementation of minor construction projects in connection with the concurrent running of the identification and appeals process. The resulting additional expenditures under alteration and renovation of premises ($75,000), maintenance supplies ($154,700) and services ($53,700) while exceeding provisions made in the Mission's approved maintenance budget, were within the authorization granted by ACABQ. Unforeseen expenditure of $12,900 was also incurred for the acquisition of accommodation containers. These additional requirements were partially offset by savings under rental of premises ($84,200), primarily owing to the closure of identification centres in Mauritania and relocation of staff from these and other centres to Mission headquarters, where these costs were covered by voluntary contributions in kind, and utilities ($31,200), owing to the reduced consumption of generator fuel and butane gas.

Transport operations

Apportionment: $1,756,700; expenditure: $1,891,600; variance: ($134,900)

11. Net additional requirements of $134,900 under this heading were primarily attributable to additional expenditures under the rental of vehicles ($80,500), spare parts, repairs and maintenance ($152,500), as well as the petrol, oil and lubricants ($193,200) budget line items, partially offset by savings under purchase of vehicles ($287,300) and workshop equipment ($4,800).

12. During the reporting period, in addition to maintaining a rigorous schedule of daily ground patrols, the Mission's vehicle fleet was used to support intensified operational activities in connection with the concurrent conduct of the identification and appeals processes. In this connection, the fleet was augmented by 50 light utility

general purpose vehicles, inclusive of 30 replacement vehicles, and one medium bus transferred from the United Nations Observer Mission in Angola (MONUA), as well as through acquisition of 8 light utility vehicles, 2 heavy sedans, 5 light buses and 15 light pick-up trucks. Operating in the harsh desert environment, the fleet was subject to greater wear and tear, with higher incidence of mechanical breakdowns and the consequent increased consumption of spare parts and higher maintenance costs, as well as more frequent replacement of tyres. The intensified utilization of vehicles also resulted in additional requirements for petrol and petroleum products. At the same time, transfers from MONUA reduced the need for the acquisition of new vehicles, resulting in savings under the purchase of vehicles budget line item.

Air operations

Apportionment: $6,959,300; expenditure: $5,703,800; variance: $1,255,500

13. Provision made in MINURSO's approved budget for the three MI-8 medium utility helicopters was based on contractual arrangements in effect at the time of the preparation of the budget. For the reporting period, however, the helicopter hire contract had been awarded to other companies, which resulted in actual lower hourly rates of $867 for one helicopter and $1,483 for the two other helicopters compared with $1,500 applied in the budget. While the Mission incurred additional costs for the positioning and depositioning ($223,200) and painting/repainting ($30,000) of helicopters, the combination of the lower block hour rate, fewer hours actually flown (2,849 compared to the budgeted 3,060) and lower actual cost of fuel ($0.43 per litre compared with $0.57 per litre applied in the budget), resulted in savings under the hire costs ($663,800) and helicopter fuel ($492,800) budget line items, as well as overall savings under helicopter operations ($901,100).

14. With regard to the fixed-wing aircraft, while the Mission deployed an additional AN-26 medium passenger/cargo aircraft in connection with the concurrent conduct of the identification and appeals processes, for a total fleet of four AN-26 aircraft, overall savings of $368,200 were realized under this budget line item owing to the combination of the following factors: (a) changeover to another company prior to the beginning of the reporting period, with lower hourly rates, ($332) compared to the rates applied in the budget ($480); (b) fewer actual hours flown (2,745 compared to the budgeted 3,600).

15. A net additional expenditure of $15,400 under other air operations requirements was attributable to the payment of navigation fees for which no provision had been made in the budget, resulting in additional requirements under the air traffic control services budget line item ($47,800), partially offset by the unutilized balance under landing fees and ground handling ($32,400) as a result of fewer re-supply flights.

Other equipment

Apportionment: $802,000; expenditure: $1,151,400; variance: ($349,400)

16. Pursuant to the authorization granted by ACABQ in connection with the concurrent conduct of the identification and appeals process, the Mission proceeded with the replacement of worn-out office furniture and accommodation equipment, as well as the acquisition of additional fax machines and photocopiers, air conditioners

and electronic data-processing equipment (60 desktop computers, together with printers and uninterrupted power supply units), as well as the expansion and upgrading of the Mission's local area network. The resulting additional requirements under the office furniture ($49,200) and equipment ($59,500), accommodation ($4,400), miscellaneous ($65,100) and electronic data-processing equipment ($263,500) budget line items were in part offset by savings under spare parts, repair and maintenance ($92,300), owing to the utilization during the reporting period of available stocks and supplies.

Supplies and services

Apportionment: $524,300; expenditure: $1,170,600; variance: ($646,300)

17. Net additional requirements of $646,300 under this heading reflect additional requirements under miscellaneous services ($481,200) and miscellaneous supplies ($165,100).

18. Additional requirements of $481,200 under miscellaneous services were primarily attributable to the high bank charges ($187,200), losses on currency exchange ($154,500), hire of casual labourers (gardening, cleaning and mailing services, handymen in identification and appeals centres) during peak workload periods in connection with the concurrent conduct of the identification and appeals processes, as well as to the unforeseen expenditure under contractual services ($69,200) for the renovation of desert runways (hire of a heavy road grader) and consulting services (engagement of a tax law expert for the recovery of value-added tax levied on the Mission by the host Government).

19. Under miscellaneous supplies, additional expenditures under stationery and office supplies ($95,500), sanitation and cleaning materials ($53,100) and quartermaster and general stores ($13,600) exceeded the apportionment under respective budget line items owing to the requirements for the opening of appeals centres in connection with the concurrent running of the identification and appeals process. Additional expenditures were also incurred under uniform items, flags and decals ($3,000) and for the unforeseen requirement for operational maps ($2,300). These additional expenditures were offset by a reduced actual requirement under medical supplies ($1,200) and subscriptions owing to the termination of one newspaper subscription ($1,200).

Staff assessment

Apportionment: $3,951,600; expenditure: $3,351,000; variance: $600,600

20. The unutilized balance of $600,600 under this heading was attributable to the lower expenditure under international and local civilian staff salaries owing to the higher proportion of Mission appointees and lower-than-budgeted grade levels of staff.

Income from staff assessment

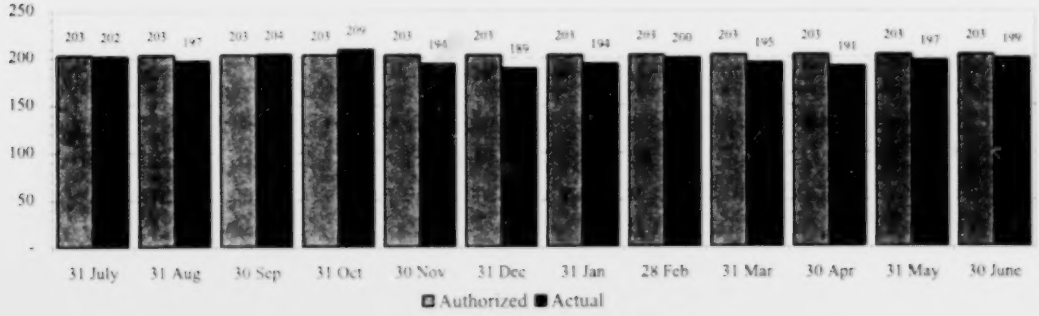
Apportionment: ($3,951,600); expenditure: ($3,351,000); variance: ($600,600)

21. This amount is derived from staff assessment (see para. 20 above).

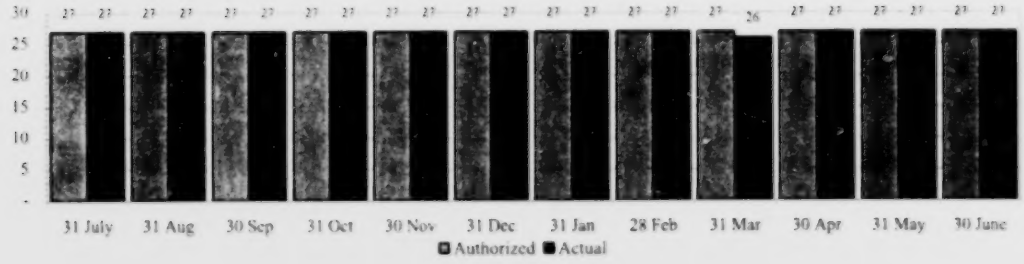
Annex III

Planned and actual deployment of civilian and military personnel for the period from 1 July 1999 to 30 June 2000

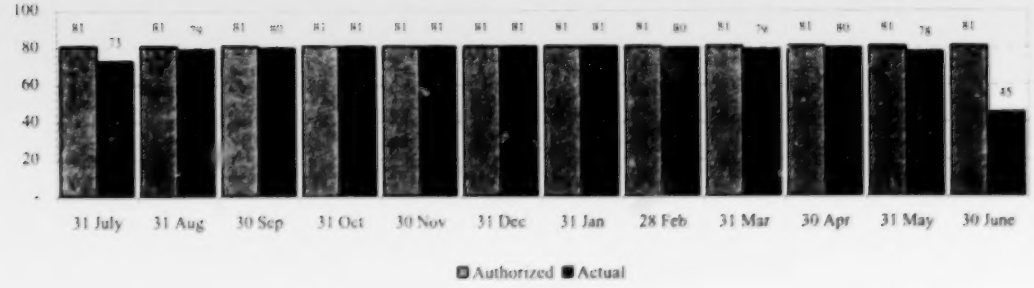
1. Military observers



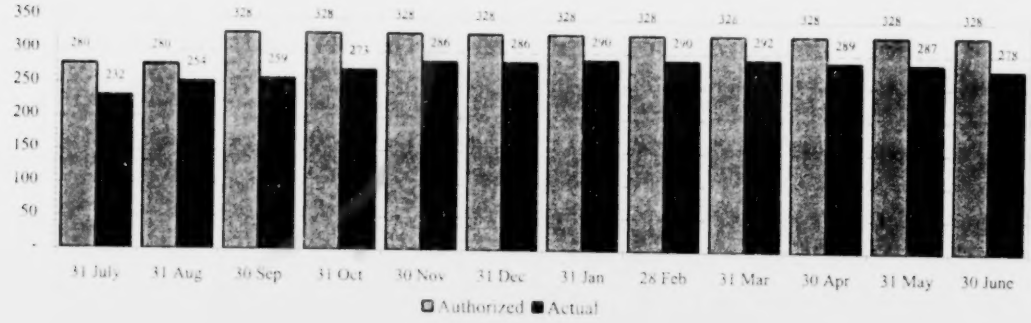
2. Military contingents



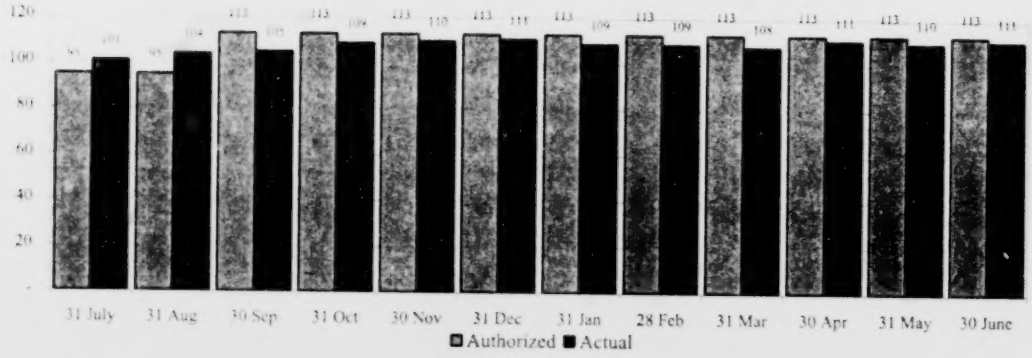
3. Civilian police



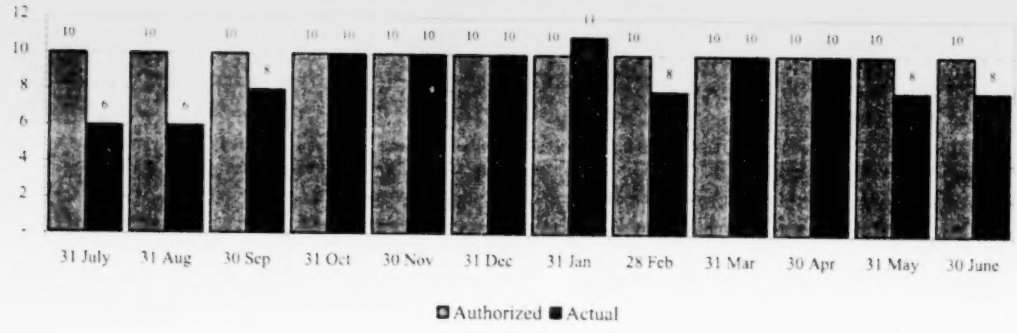
4. International staff



5. Local staff



6. OAU observers



Annex IV

Apportionment and expenditure for the period from 1 July 1999 to 30 June 2000